



**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 10**

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OFFICE OF
ECOSYSTEMS, TRIBAL AND
PUBLIC AFFAIRS

June 11, 2012

Brendan Cain, District Manager
BLM, Burns District Office
28910 Highway 20 West
Hines, Oregon 97738-9424

Re: U.S. Environmental Protection Agency Region 10 Comments on the Celatom Mine Expansion
final Environmental Impact Statement (FEIS) (EPA Project Number 08-056-BLM).

Dear Mr. Cain:

The EPA has reviewed the FEIS for the Celatom Mine Expansion located in Henry and Malheur Counties, Oregon. Our review has been conducted in accordance with our responsibilities under the National Environmental Policy Act (NEPA) and Section 309 of the Clean Air Act.

The FEIS analyzes two alternatives to expand EP Minerals' diatomaceous earth mine for an additional fifty year mine life. These alternatives are: Alternative 2, the Proposed Action, and Alternative 3, Proposed Action with additional design elements. The additional elements include restricting access, maintaining stock water ponds, and removing a sediment basin. The FEIS does not identify a Preferred Alternative, and it is not clear why one was not selected. The Council of Environmental Quality's regulations at 40 CFR Part 1502.14 (e) state that agencies shall identify a preferred alternative at the final EIS stage unless another law prohibits the expression of such a preference. Since we are unable to provide specific comments on the agency's preferred action, our comments below are based on the overall FEIS.

Our May 2011 comments on the draft EIS expressed concern about the adequacy of the impact analysis for surface water and groundwater and stated that the EIS lacked information on monitoring, mine reclamation, and financial assurance. We appreciate the additional information that has been incorporated into the FEIS on characterizing and predicting impacts to surface water and groundwater from proposed activities. We are very pleased that the BLM provided access to the mine plan of operations and the baseline characterization report on the website. These documents provide useful information to better understand the proposal and basis for impact analyses. The additional information in the FEIS and appendices resolve many of our concerns. However, we continue to have concerns regarding monitoring requirements and lack of financial assurance information.

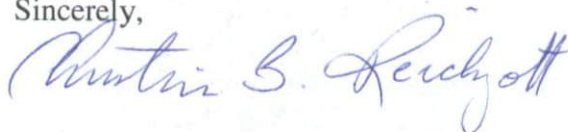
The FEIS includes Appendix B, Sampling and Analytical Plan. The plan discusses annual monitoring for both surface and groundwater. There are no perennial streams identified in the project area; however, three springs and one man-made pond have been routinely sampled in the past. We appreciate that this additional information was included. However, the plan does not explicitly state the basis for the monitoring schedule and does not include potential actions that would be triggered if criteria are exceeded. We are unclear if the mine site is covered by an Oregon Department of Environmental

Quality waste discharge permit. This permit would include specific requirements such as sampling four times per year and monitoring during the first 12 hours of a stormwater discharge event. The project also includes intermittent drainages that do not appear to be part of the sampling protocol. We believe that monitoring and adaptive management are critical components of mine management, particularly in the case of a mine with acid generating material and potential unexpected circumstances or climate conditions that may occur over a fifty year mine life. We recommend that the Record of Decision clarify the basis for monitoring requirements (e.g., once per year), include any additional monitoring needed to meet the water quality objectives, and include any jurisdictional, intermittent streams that contribute to water quality in the project area.

The EPA's other outstanding concern is the lack of financial assurance information. We continue to stress the importance of establishing adequate financial assurance. The amount and viability of financial assurance are important in determining the effectiveness of reclamation and closure activities and, therefore, the significance of the environmental impacts. Without this information, decision makers cannot determine whether proposed activities are feasible or approvable. We strongly encourage the BLM to include information on the existing bond and cost estimates for proposed activities in the Record of Decision so that the public and decision makers can be fully informed about the environmental risk, the feasibility of mitigation and reclamation, and the guarantee that adequate financial assurance will be required.

The EPA appreciates the opportunity to comment on the FEIS. If you have any questions regarding EPA's comments, please contact me at (206) 553-1601 or by electronic mail at reichgott.christine@epa.gov, or you may contact Lynne McWhorter of my staff at (206) 553-0205 or by electronic mail at mcwhorter.lynne@epa.gov.

Sincerely,



Christine B. Reichgott, Manager
Environmental Review and Sediment Management Unit